



MARYLAND COMMISSIONER OF FINANCIAL REGULATION INDUSTRY ADVISORY REGULATORY GUIDANCE



September 21, 2020

Debt Collection: Exemptions from Attachment and Execution New Law Effective October 1, 2020

At the conclusion of the 2020 session, Governor Hogan signed into law Chapter(s) 183 and 184 of the Acts of 2020 (House Bill 365 and Senate Bill 425, respectively). Codified within Md. Code Ann., Commercial Law, Title 15, effective October 1, 2020, the new law generally relates to exemptions from debt collection.

The new law increases the amount of judgment debtor's wages that are exempt from attachment. Specifically, the new law:

- 1) Exempts from attachment the greater of 75% of the disposable wages due, or 30 times the State minimum hourly wage in effect at the time the wages are due, multiplied by the number of weeks during which the wages due were earned.
- 2) Repeals certain provisions that only apply in Caroline, Kent, Queen Anne's, and Worcester counties.

The new law only applies prospectively and therefore may not be applied or interpreted to affect or apply to any writ of garnishment or writ of execution issued before its October 1, 2020 effective date.

If you have any questions, you may contact Clifford Charland, Director of Non-Depository Operations, by e-mail at clifford.charland@maryland.gov, or by telephone at 410-230-6167.

The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's banking and financial services regulatory agency. For more information, please visit our website at www.labor.maryland.gov/finance.



Office of the Commissioner of Financial Regulation